

FISCAL NOTE

Bill #: HB0245

Title: Commission on gasoline pricing competition

Primary Sponsor: Harris, C

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
General Fund	\$7,500	\$7,500
Revenue:	\$0	\$0
Net Impact on General Fund Balance:	(\$7,500)	(\$7,500)

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. HB 245 creates and administratively attaches the Commission on Gasoline Pricing Competition to the Department of Commerce.
2. HB 245 creates a five-member commission and provides that commission members can be reimbursed for travel expenses pursuant to 2-18-15, MCA. The department estimates that the commission would meet approximately six times per year at an estimated cost of \$250 per member, or \$7,500 of general fund in each year of the 2005 biennium.
3. Limited administrative support for the commission could be provided within the budget contained in the Executive Budget request. However, should the commission chose to subpoena witnesses, require court reporters, industry surveys, additional office space, computers, and office equipment as authorized in items 6 and 7(a) and (b) of the bill, then additional general fund would be required. It is thought this level of support could be as much as \$50,000 per year of general fund in addition to the aforementioned travel expenses. Should the commission decide it needed dedicated staff, as is authorized in subsection 6 of the bill, then additional general fund support for each FTE would be needed. For the purposes of this fiscal note it is assumed the commission would require a more limited amount of support.

Fiscal Note Request HB0245, As Introduced
(continued)

FISCAL IMPACT:

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$7,500	\$7,500
<u>Funding of Expenditures:</u>		
General Fund (01)	\$7,500	\$7,500
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$7,500)	(\$7,500)

TECHNICAL NOTES:

1. HB 245, as introduced, is identical to HB 158, which was introduced in the 2001 legislative session. At that time, the Department of Commerce recommended attaching the proposed commission to the Weights & Measures program since they would best be able to support the commission in its examination of the motor fuel industry in Montana. The Weights & Measures program regulates fuel pumps and tests octane levels on a statewide basis, among other duties. SB 445, which was passed during the 2001 legislative session, completely reorganized the Department of Commerce, moving the Weights & Measures program to the Department of Labor and Industry, Business Standards Division. It appears that the objectives of the bill would be met more efficiently if HB 245 were amended to make the Department of Labor and Industry the administering agency, with the commission specifically attached to the Weights & Measures program.